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THE EXCHANGE HAS NEITHER APPROVED NOR DISAPPROVED THE INFORMATION CONTAINED IN THIS FILING STATEMENT, WHICH IS A REPRODUCTION OF THE ORIGINAL FILED WITH THE EXCHANGE BY THE COMPANY AND IS ISSUED FOR INFORMATION PURPOSES ONLY. THIS FILING STATEMENT IS NOT TO BE REPRODUCED IN WHOLE OR IN PART WITHOUT THE WRITTEN APPROVAL OF THE TORONTO STOCK EXCHANGE.

TORONTO STOCK EXCHANGE

FILING STATEMENT No. 800.
FILED, SEPTEMBER 13th. 1962.

TOMBILL MINES LIMITED

Full corporate name of Company

Incorporated under Part XI of the Companies Act of Ontario by Letters Patent dated October 7, 1935.

Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1953 (Ontario) by Letters Patent dated May 1st, 1957).

FILING STATEMENT

Reference is made to previous Filing Statement No. 624.

(To be filed with respect to any material change in a company's affairs, including among other things, an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.	Agreement dated August 2nd, 1962 between the Company, of the First Part, and PREMIUM IRON ORES LIMITED and STEEP ROCK IRON MINES LIMITED, called "the Operators" therein, of the Second Part; - reference is made to the Agreement which is attached hereto and forms part of this Filing Statement.
2. Head office address and any other office address.	Head Office - Suite 710 - 60 Yonge Street, Toronto 1, Ontario.
3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.	President & Director James A. Grant, 60 Yonge Street, Toronto Stock Broker. Vice-Pres. & Director Sidney H. Robinson, 2402, 44 King St. West, Toronto, Queen's Counsel. Sec.-Treas. & Director H. L. Good 60 Yonge Street, Toronto Chartered Accountant. Director William D. George, Jr., Sewickley, Pa., U.S.A. Real Estate. Director Foster W. Hewitt, 1 Grenville St., Toronto Radio Executive. Director George M. Grant, Beaver Hall Hill, Montreal Bell Telephone Co. Executive. Director - D.A. MacIntosh, 129 Adelaide St. West, Toronto, Insurance Executive.
4. Share capitalization showing authorized and issued and outstanding capital.	Authorized capital - 5,000,000 shares - no par value. Issued capital - 3,050,000 shares Shares under option - 50,000 shares
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	Nil
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	(i) 40,000 of the said 50,000 optioned shares are under option to Dr. John H. Low and Dr. Harold F. Morrow, the Company's Geological and Mining Consultants. Their employment contract provides for an option on the said 40,000 shares of the capital stock of the Company at 45¢ a share exercisable on or before December 31st, 1964 and that not more than 20,000 of shares in the aggregate may be taken up and paid for on or before December 31st, 1963. (ii) the remaining 10,000 of the said 50,000 optioned shares are under option to Robert V. Tomkins, Manager of the Company's Potash Operations, at 65¢ a share exercisable not later than the 30th day of April, 1963.
7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	None.
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	None.
9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	See said Agreement mentioned in Item 1 above.
10. Brief statement of company's chief development work during past year.	During the past year the Company has carried out engineering and market studies.
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	None.
12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	Not applicable.

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FINANCIAL STATEMENTS

TOMBILL MINES LIMITED

(Incorporated under the laws of the Province of Ontario)

Balance Sheet as at August 31st, 1962

ASSETS

Current Assets:		
Cash		$ 4,874.55
Accounts receivable		1,957.70
Short term bank deposit receipt and accrued interest thereon		45,388.60
Investments in marketable securities - at book value (quoted market value $29,000.)		39,345.36
		91,566.21
Other Investments and Advances:		
Government of Canada bonds deposited with the Province of Saskatchewan	$ 1,817.50	
Advances to and vendor's share interest in affiliated mining company	27,747.56	
Unexpended advance for metallurgical studies	636.49	
Sundry investments at cost, less amounts written off	5,385.00	35,586.55
Ontario Mining Properties - at cost		1,191,261.90
Western Canada Potash Properties - at cost (acquired by the issue of 520,000 shares of the company's capital stock)		243,164.25
Furniture and Equipment - at cost		3,370.00
Deferred Exploration, Development and Other Expenditures (Net):		
Balance as at December 31st, 1961	926,619.63	
Add - Net expenditures for the eight months ending August 31st, 1962	77,543.29	1,004,162.92
		$ 2,569,111.83

LIABILITIES

Current Liabilities (See Note 1):			
Accounts payable and accrued			$ 1,973.19
Capital Stock (See Note 2):			
Authorized - 5,000,000 shares of no par value			
Issued -	Number of Shares		
Prior years	3,020,000	$ 2,299,000.00	
Current year for cash	30,000	15,500.00	
	3,050,000		2,314,500.00
Earned Surplus			252,638.64

Note: (1) No provision has been made herein for legal expenses which have been incurred since January 1st, 1962, which have not yet been billed to the company.

(2) Shares of the company's capital stock are under option as follows:
- 40,000 at 45 cents per share exercisable not later than December 31st, 1964
- 10,000 at 65 cents per share, exercisable not later than April 30th, 1963

$ 2,569,111.83

Signed on behalf of the Board:

H. L. Good Director

(H. L. Good)

TOMBILL MINES LIMITED

STATEMENT OF DEFERRED EXPLORATION, DEVELOPMENT AND OTHER EXPENDITURES FOR THE EIGHT MONTHS ENDING AUGUST 31st, 1962.

Potash Project:		
Engineer's salary	$ 6,816.67	
Engineering expenses including costs incurred on metallurgical and construction studies	42,337.65	
Miscellaneous administrative expenses	1,436.42	
Rentals of mineral rights, option renewals, etc.	10,299.82	$ 60,890.56
Ontario Property Expense:		
Engineering fees and expenses	81.00	
Geraldton property taxes	455.93	536.93
Administrative and General:		
Annual and general meeting expenses	1,418.93	
Business and provincial taxes	195.92	
Directors' fees and expenses	2,397.66	
Insurance	174.68	
Legal and audit	515.00	
Licenses and government fees	155.00	
Office and general expenses	509.22	
Rent	2,240.00	
Salaries - executives	9,600.00	
Salaries - office	1,616.23	
Telephone and telegraph	824.85	
Transfer agent and registrar	600.00	20,447.49
		$ 81,874.98
Deduct		
Administrative fees	$ 1,800.00	
Interest earned	1,781.69	
Dividends received	750.00	4,331.69
Net Expenditures		$ 77,543.29

TOMBILL MINES LIMITED

AUGUST 31st, 1962

Marketable Securities	Book Value	Market Value
100,000 shares Gulch Mines Limited	$ 30,096.59	$ 7,000.00
10,000 shares Madsen Red Lake Gold Mines Limited	35,150.00	22,000.00
	$ 65,246.59	
Less Reserve for Investments	25,901.23	
	$ 39,345.36	$ 29,000.00
Advances to and Vendor's Share Interest in Affiliated Mining Company		
732,226 shares Craskie Mines, Limited	$ 21,128.78	
Advances to Craskie Mines, Limited	6,618.78	
	$ 27,747.56	
Sundry Investments at Cost, less Amounts Written Off		
3,707 shares Aull Metal Mines Limited (in escrow)	$ 1.00	Nil
16,000 shares Maylac Gold Mines Limited (exchangeable for Gulch Mines Limited when directions are issued - on basis of 1 Gulch share for every 30 Maylac shares)	159.00	$ 37.33
60,000 shares Glen Echo Mines Limited	5,225.00	2,400.00
	$ 5,385.00	$ 2,437.33

TOMBILL MINES LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS
FOR THE EIGHT MONTHS ENDING AUGUST 31st, 1962.

Source of Funds:		
Refund of cash deposited with Province of Saskatchewan	$ 2,000.00	
Reduction in advances for research, etc.	3,135.47	
Amount realized on the sale of 30,000 shares of the company's capital stock	15,500.00	$ 20,635.47
Application of Funds:		
Net deferred exploration, development and other expenditures	77,543.29	
Increase in advance to affiliated mining company	64.87	
Purchase of additional furniture and equipment	71.40	77,679.56
Net Decrease in Working Capital		$ 57,044.09
Working Capital, December 31st, 1961 -		
Current Assets	$ 154,949.33	
Current Liabilities	8,312.22	$ 146,637.11
Working Capital, August 31st, 1962 -		
Current Assets	91,566.21	
Current Liabilities	1,973.19	89,593.02
Net Decrease		$ 57,044.09

Signed on behalf of the Board:

H. L. Good Director

H. L. Good

13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	None.
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	Not applicable.
15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	The Company's transfer agent advises that as of August 15th, 1962 the five largest registered shareholders were as follows: Gee & Company, c/o Canadian Imperial Bank of Commerce, 25 King Street West, Toronto, Ontario. — 117,800 Lake & Company, c/o Bank of Montreal, King & Bay Streets, Toronto, Ontario. — 178,000 Playfair & Co. Limited, 60 Yonge Street, Toronto, Ontario. — 817,523 James Richardson & Sons, 173 Portage Avenue East, Winnipeg, Manitoba. — 160,565 James A. Grant, 86 Rosedale Heights Drive, Toronto, Ontario. — 100,000 With the exception of James A. Grant who is the beneficial owner of shares shown against his name, the Company is not aware of beneficial owners of other shares shown above.
16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.	James A. Grant, acting in consort with the other directors may be in a position to materially affect control of the Company if they are able to obtain sufficient proxies from the rest of the large shareholders as shown in Item 15
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	MARKETABLE SECURITIES: 100,000 Shares — Gulch Mines Limited — Book Value $30,096.59 — Market Value Aug. 23/62 $ 6,000.00 10,000 Shares — Madsen Red Lake Gold Mines Limited — Book Value 35,150.00 — Market Value Aug. 23/62 21,000.00 $2,000.00 — Dominion of Canada 4½% Bond, due Sept.1, 1983 — Book Value 1,825.00 — Market Value Aug. 23/62 1,770.00 VENDOR'S SHARE INTEREST IN AFFILIATED MINING COMPANY 732,226 Shares — Craskie Mines Limited — Book Value $21,128.78 — Market Value Aug. 23/62 Nil SUNDRY INVESTMENTS AT COST, LESS AMOUNTS WRITTEN OFF 3,707 Shares — Aull Metal Mines (in escrow) — Book Value $ 1.00 — Market Value Aug. 23/62 Nil 16,000 Shares — Maylac Gold Mines Limited (exchangeable for Gulch Mines Limited when directions are issued - on basis of 1 Gulch share for every 30 Maylac shares) — Book Value 159.00 — Market Value Aug. 23/62 26.65 60,000 Shares — Glen Echo Mines Limited — Book Value 5,225.00 — Market Value Aug. 23/62 3,000.00
18. Brief statement of any lawsuits pending or in process against company or its properties.	There are no lawsuits pending or in process against the Company or its properties.
19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.	None.
20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.	None. No shares of the Company are in the course of primary distribution to the public.

DATED August 23rd, 1962.

CERTIFICATE OF THE COMPANY

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

TOMBILL MINES LIMITED

"J.A. Grant"

"S.H. Robinson"

CORPORATE SEAL

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

Agreement

THIS AGREEMENT made this 2nd day of August, 1962.

BETWEEN:

TOMBILL MINES LIMITED, a Company incorporated under the laws of the Province of Ontario and having its Head Office at the City of Toronto, (hereinafter called "Tombill")

OF THE FIRST PART;

— and —

PREMIUM IRON ORES LIMITED, a Company incorporated under the laws of the Province of Ontario and having its Head Office at the City of Toronto, and STEEP ROCK IRON MINES LIMITED, a Company incorporated under the laws of the Province of Ontario and having its Head Office at Steep Rock Lake (hereinafter called "the Operators")

OF THE SECOND PART.

WHEREAS Tombill owns the Potash Properties and rights hereinafter referred to and the Operators have agreed to use their best efforts to complete the financing of the Potash Properties into production all upon and subject to the terms and conditions hereinafter set forth.

NOW THIS AGREEMENT WITNESSETH as follows that in consideration of the premises and covenants, conditions and agreements hereinafter contained, the parties hereto have agreed and do hereby agree as follows:

1. Tombill represents and warrants to the Operators —

(a) that it is a Company duly organized and existing and in good standing under the laws of the Province of Ontario and has corporate power to own its respective properties and hold its rights and to carry on its business in Ontario, Saskatchewan and Manitoba as now being conducted;

(b) that it is the beneficial owner, free of encumbrance, of a Potash Permit from the Province of Saskatchewan, a Potash Lease from the Province of Manitoba, and options to acquire certain freehold lands in the Province of Manitoba, all of which are more particularly described in Schedule "A" attached hereto, and which are hereinafter sometimes collectively referred to as the "Potash Properties", all of which are assignable subject to approval as therein provided;

(c) that Tombill believes that said permits and lands are adequate to permit profitable mining of potash at the scale hereinafter referred to for a minimum period of fifty (50) years;

(d) that it has the right to enter into this Agreement;

(e) that it is not in arrears in the remittance of any mining taxes, rent or any other payment in respect of the Potash Properties;

(f) that there are no actions, suits or proceedings pending or threatened against it;

(g) that it is not a party to any contracts of significance to the Potash Properties, except —

(i) the agreements referred to in Schedule "A"

(ii) a contract with the Colorado School of Mines Research Foundation for a metallurgical test of potash ores from the Potash Properties at an estimated maximum cost of Fifteen Thousand Dollars ($15,000.00);

(iii) a contract with Stearns Roger Engineering Company Limited for the engineering for the surface plant and the handling of the ore, the maximum cost under this contract being estimated at Fifty Thousand Dollars ($50,000.00);

(iv) a contract with its Project Manager which does not contain any unusual or abnormal terms or provisions.

2. Forthwith upon the execution and delivery of this Agreement, the parties hereto will proceed with and collaborate in an investigation of the markets for potash, and will endeavour to secure contracts from users or merchandisers of potash for the purchase annually of a minimum of 480,000 tons of muriate of potash of 60% purity or other percentages acceptable to purchasers, at prices calculated to realize a reasonable profit and for periods of time adequate to ensure stability of operation.

3. If and when the Operators advise Tombill in writing that:

A. Long-term contracts made for the purchase of not less than 480,000 tons annually of muriate of potash of 60% purity or the percentages satisfactory to purchasers are on terms and conditions acceptable to the operators, and

B. The Operators are satisfied that it is physically practicable and economically sound to proceed with the development, and

C. That financing is believed to be available on reasonable terms satisfactory to the Operators for the completion of the project, including working capital:

Tombill and the Operators will collaborate in the formation of a new corporation (hereinafter called the "New Company") with a capitalization to be mutually agreed upon and a board of ten directors, and subject to the terms and conditions set forth herein, Tombill will transfer to and effectively vest in such New Company with power to hold the same:

(a) the Potash Properties, clear of encumbrance,

(b) the contract for the employment of its project manager,

(c) the potash rights, if any, obtained from other sources in the same potash field, and

(d) all data and information relating to potash and the Potash Properties, including without limiting the generality of the foregoing, all title documents, the contracts and agreements referred to herein, and the advice and reports received pursuant thereto, in consideration of:

(i) the issuance to Tombill, or its nominees, of 20% of the originally authorized shares of the capital stock of the New Company, such shares to be issued as fully paid and non-assessable shares;

(ii) the payment to Tombill of the amount of all expenditures incurred by it on or in connection with the Potash Properties between the date of this agreement and the incorporation of the New Company up to the maximum of Ten Thousand Dollars ($10,000.00) and any additional expenditures which may be incurred by Tombill on or in connection with the Potash Properties during such period if incurred with the consent and approval of the Operators, and all amounts expended by Tombill under the terms of this Agreement which relate to the Potash Properties; and

(iii) the issuance to Tombill of a royalty agreement requiring the payment by the New Company to Tombill of Thirty-six Thousand Dollars ($36,000.00) per year for fifteen (15) years during the life of the Potash lease and permit, and containing such other terms and provisions as may be agreed upon by Tombill and the Operators.

4. The Operators agree that if and when they have advised Tombill in writing that they are satisfied with respect to the three designated items as provided for in Paragraph 3, and upon consummation by Tombill of its obligations set forth in the preceding paragraph they will:

(a) purchase from Tombill the royalty agreement referred to in the preceding Paragraph 3 C for the sum of Three Hundred and Fifty Thousand Dollars ($350,000.00), and

(b) enter into an agreement with the New Company whereby the Operators will agree to expend an aggregate of Three Hundred and Fifty Thousand Dollars ($350,000.00) in the further prospecting exploration and development of the Potash Properties in consideration of the issue to the Operators of 20% of the originally authorized shares of the capital stock of the New Company, such shares to be issued as fully paid and non-assessable shares.

Tombill agrees that it will cause the New Company to enter into an agreement with the Operators on the terms set forth above.

5. Subject to compliance with the provisions of Paragraph 3, the Operators agree that they will use their best efforts to complete the financing of the potash project by the New Company, to develop and equip the Potash Properties and to bring the same into production with a minimum annual capacity of 600,000 tons of muriate of 60% plus purity as soon as practically possible, and Tombill and the Operators agree that they will cause the New Company, at the request of the Operators, to issue such mortgage bonds, debentures or other securities, at such interest, on such terms and at such prices as may be consistent with the then current public financing as the Operators shall recommend, but such financing will not dilute Tombill's equity participation of 20% nor involve diversion of equity earning participation, which will reduce Tombill's share thereof below 20%.

6. If contracts to the satisfaction of the Operators as described in Paragraphs 2 and 3, for the annual purchase of the said 480,000 tons of muriate are not obtained by the 1st day of December, 1962, this Agreement shall on that date be terminated without further liability of either party hereto to the other.

The Operators shall have the right to terminate this Agreement at any time prior to such contracts being so obtained for the annual purchase of said 480,000 tons of muriate by giving fifteen (15) days' notice in writing to that effect to Tombill.

7. It is agreed that the Operators may at any time by notice in writing to Tombill to that effect commit themselves to comply with the obligations set out in Clause 4 hereof, in which case the Operators and Tombill shall be obligated in the same manner and to the same extent as though satisfactory commitments had been received for the purchase of 480,000 tons of muriate as above provided and the Operators had given Tombill advice in writing as provided for in Clause 3 hereof.

8. It is understood and agreed that none of the originally authorized share capital of the New Company with the exception of the 20% thereof to be issued to the Operators as aforesaid, shall be issued to the Operators or any Company which is a parent, subsidiary, associate or affiliate of the Operators, and that such shares shall only be issued to persons or companies with whom the Operators shall be dealing at arms length.

9. If the originally authorized share capital of the New Company is increased all shareholders shall have pre-emptive rights to purchase any shares constituting such increased capital which are sold for cash unless such pre-emptive rights are waived by a two-thirds vote of the holders of the outstanding shares.

10. It is agreed that Tombill shall be entitled to nominate two of ten directors of the New Company, and the Operators shall be entitled to nominate eight of the ten directors of the New Company, and the Operators and Tombill each undertakes and agrees with the other to vote all shares of the New Company owned or controlled by it for the election of the nominees of the parties hereto as directors of the New Company provided that this Clause shall have force and effect only for a period of five years from the date hereof, and only so long as Tombill continues to hold or to represent the holders of 10% of the shares in the New Company.

11. Each of the parties hereto covenants and agrees with the other to do all things and execute and deliver all documents necessary or desirable for the carrying out of the intent and purpose of this Agreement.

12. Any notice hereunder shall be given by registered mail addressed in the case of Tombill Mines Limited to:

Tombill Mines Limited,
Suite 710, 60 Yonge Street,
Toronto 1, Ontario.

and in the case of Premium Iron Ores Limited to:

Premium Iron Ores Limited,
550 Sherbrooke Street,
Montreal 2, P.Q.

and in the case of Steep Rock Iron Mines Limited to:

Steep Rock Iron Mines Limited,
Antikokan, Ontario.

EXHIBIT 'B'

TOMBILL MINES LIMITED

STATEMENT OF DEFERRED EXPLORATION, DEVELOPMENT AND OTHER EXPENDITURES

FOR THE YEAR ENDED 31ST DECEMBER 1964

Potash Project:			
Administrative expenses and management travelling		$ 1,956	
Engineer's salary	$ 11,433		
Less - amount recovered from Noranda Mines Limited	3,650	7,783	
Engineering expenses, including Western office and engineer's travelling		3,234	
Cost of retaining permits, leases and mineral rights	32,806		
Less - amount recovered from Noranda Mines Limited	19,387	13,419	$ 26,392
Ontario Property Expenses:			
Taxes on property		471	
Miscellaneous		47	518
Administrative and General:			
Annual and general meeting reports and expenses		1,277	
Business and provincial taxes		210	
Directors' fees and expenses		1,517	
Insurance		201	
Legal and audit		5,066	
Licences and government fees		185	
Listing fees and expenses		286	
Office and general expenses		1,090	
Rent		3,537	
Salaries - executives		14,515	
- office		2,591	
Telephone and telegraph		1,313	31,788
			58,698
Deduct:			
Administration fees earned		2,700	
Interest received		3,115	
Dividends received		1,500	7,315
			$ 51,383

TOMBILL MINES LIMITED

(Incorporated under the laws of the Province of Ontario)

BALANCE SHEET AS AT 31ST MARCH, 1965

ASSETS

Current Assets:			
Cash		$	9,090.38
Accounts receivable			5,367.18
Investment in marketable securities - at book value (quoted market value $34,200)			44,571.36
		$	59,028.92
Other Investments and Advances:			
Government of Canada bonds deposited with the Province of Saskatchewan	$ 1,847.43		
Advances to and vendor's share interest in affiliated mining company	28,349.45		
Sundry investments and advances	266.22		30,463.10
Province of Ontario Mining Properties - at cost			1,191,261.90
Western Canada Potash Properties - at cost,			
Acquired for the issue of 520,000 shares	$243,164.25		
Purchase of Mineral Rights for cash	6,664.00		249,828.25
Alkali Leases in Saskatchewan - at cost			1,439.75
Furniture and Equipment-at cost			3,370.00
Deferred Exploration, Development and Other Expenditures (Net):			
Balance at 31st December,1964	1,140,230.21		
Add - Net expenditure for the three months ended 31st March, 1965	51,092.51		1,191,322.72
			$2,726,714.64

LIABILITIES

Current Liabilities:		
Accounts payable and accrued	$	5,076.00
Capital Stock:		
Authorized - 5,000,000 shares of no par value		
Issued - 3,300,000 shares for		2,469,000.00
Earned Surplus		252,638.64
		$2,726,714.64

Approved on behalf of the Board

_____ Director

_____ Director

STATEMENT OF DEFERRED EXPLORATION, DEVELOPMENT AND OTHER EXPENDITURES FOR THE THREE MONTHS ENDED 31st MARCH, 1965

Potash Project:			
Administrative expenses		$ 5.08	
Engineer's salary		3,000.00	
Engineering expenses, including Western Office and engineer's travelling		649.22	
Cost of retaining permits, leases and mineral rights	$ 49,067.60		
Less - amount recoverable from Noranda Mines Limited	9,799.43	39,268.17	$ 42,922.47
Examination of Sodium Sulphate deposits under Alkali Leases held in Saskatchewan			3,448.95
Administrative and General:			
Directors' expenses		34.60	
Insurance		45.41	
Office and general expenses		109.44	
Rent		884.19	
Salaries - executives		$ 3,600.00	
- office		697.25	
Telephone		229.45	5,600.34
			$ 51,971.76
Deduct:			
Administrative fees earned		$ 675.00	
Interest received		204.25	879.25
			$ 51,092.51

STATEMENT OF SOURCE AND APPLICATION OF FUNDS FOR THE THREE MONTHS ENDED 31ST MARCH, 1965

Source of Funds :			Nil
Application of Funds :			
Net Deferred Exploration, Development and other Expenditures		$ 51,092.51	
Fee for assignment of Alkali Leases to Company		15.00	$ 51,107.51
Net Decrease in working Capital			$ 51,107.51
Working Capital, 31st December, 1964 -			
Current Assets		$110,454.71	
Current Liabilities		5,394.28	$105,060.43
Working Capital, 30th March, 1965 -			
Current Assets		$ 59,028.92	
Current Liabilities		5,076.00	$ 53,952.92
Net Decrease in Working Capital			$ 51,107.51

The North Half of Section 30, Township 17, Range 29, West of the Principal Meridian:

IV. OPTIONS TO PURCHASE ALL MINES AND MINERALS EXCEPT PETROLEUM, NATURAL GAS, COAL, SAND AND GRAVEL

Options to purchase all mines and minerals except petroleum, natural gas, coal, sand and gravel, are held on the following parcels of land in Manitoba. The purchase price is $5.00 per acre.

1. The Rural Municipality of Russell

Total Area: 2,081.6 acres.

All Lands are in Township 19, Range 29, West of the Principal Meridian:

Parcel R1 — West Half of Section 3; 321.8 acres more or less
R2 — East Half and North-West Quarter of Section 5; 480 acres approximately
R3 — All of Section 7; 640 acres approximately
R4 — North-West Quarter of Section 9; 160 acres approximately
R5 — North Half of Section 19; 320 acres approximately
R6 — North-West Quarter of Section 21; 160 acres approximately

2. The Rural Municipality of Ellice

For all Parcels except E10 and E12, the options granted by the Rural Municipality of Ellice is for the purchase of an 87½% interest in mines and minerals except petroleum, natural gas, coal, sand and gravel. For Parcels E10 and E12, the option is for the purchase of a 100% interest in all mines and minerals except petroleum, natural gas, coal, sand, and gravel.

Total Area: 100% interest — 480 acres
87½% interest — 6,560 acres

Township 16, Range 29, West of the Principal Meridian:

Parcel E1 — South-West Quarter of Section 31; 160 acres approximately
E2 — North-East Quarter of Section 31; 160 acres approximately
E3 — All of Section 33; 640 acres approximately

Township 17, Range 29, West of the Principal Meridian:

Parcel E4 — South Half and North-West Quarter of Section 3; 480 acres approximately
E5 — All of Section 5; 640 acres approximately
E6 — South-West Quarter of Section 19; 160 acres approximately
E7 — North-West Quarter of Section 20 (exception C.N.R. and Municipal Road Right-of-Ways); 160 acres approximately less exceptions.
E8 — All of Section 23; 640 acres approximately
E9 — All of Section 27; 640 acres approximately

Township 18, Range 29, West of the Principal Meridian:

Parcel E10 — South West Quarter of Section 3 (100%); 160 acres approximately
E11 — All of Section 7; 640 acres approximately
E12 — South Half of Section 9 (100%) 320 acres approximately
E13 — North Half of Section 9; 320 acres approximately
E14 — All of Section 17; 640 acres approximately
E15 — All of Section 19; 640 acres approximately
E16 — West Half of Section 21; 320 acres approximately
E17 — West Half of Section 33; 320 acres approximately

3. Private Individuals

Total Area: 3,107 Acres approximately

Township 17, Range 29, West of the Principal Meridian:

North-West Quarter of Section 2; 160 acres approximately.
Owned by Charles H. Tasker, St. Lazare, Manitoba.

All of Section 7; 640 acres approximately.
Owned by John E. Selby Estate, St. Lazare, Manitoba.

South-East Quarter of Section 13 (excepting C.N.R.
Right-of-Way and Gravel Pit Plan 1933); 74 acres approximately.
Selby Estate, St. Lazare, Manitoba.

South-East Quarter of Section 16 (excepting C.N.R.
Right-of-Way) 153 acres approximately.
Owned by Napoleon Belhumeur, St. Lazare, Manitoba.

North Half of Section 17, excepting the portion north-east of the
south side of the C.N.R. Right-of-Way; 320 acres approximately.
Owned by Alexander Butcher Hayden, St. Lazare, Manitoba.

Township 19, Range 29, West of the Principal Meridian:

All of Section 4; 640 acres approximately.
Owned by Harold William Brown, Binscarth, Manitoba.

South-West quarter of Section 5; 160 acres approximately.
Owned by Colin James Hall, Binscarth, Manitoba.

North Half of Section 16, excepting Public Road; 320 acres approximately.
Owned by Thomas Walls Robinson, Binscarth, Manitoba.

North-East Quarter of Section 17, excepting Public Road; 160 acres approximately.
Owned by Thomas Walls Robinson, Binscarth, Manitoba.

South Half of Section 19, 320 acres approximately. Owned 50% by
William John Pratt, Binscarth, Manitoba, and 50% jointly by
John Alexander Murdoch of Spy Hill, Saskatchewan, and
Walter McCormick Murdoch of Binscarth, Manitoba.

South-West Quarter of Section 21; 160 acres approximately
Owned by Phillip Robinson, Binscarth, Manitoba.

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